

## § 500.574

U.S.-origin goods, or foreign goods containing U.S.-origin content or produced from U.S.-origin technical data, to meet basic human needs in North Korea may require authorization from the U.S. Department of Commerce.

[61 FR 9344, Mar. 8, 1996]

### § 500.574 Executory contracts and related transactions authorized.

(a) *Executory contracts.* (1) Persons subject to U.S. jurisdiction are authorized to enter into executory contracts with Vietnam or Vietnamese nationals, or executory contracts in which Vietnam or a Vietnamese national has an interest, the performance of which is contingent upon the lifting or modification of the embargo on Vietnam to permit such performance.

(2) Within 10 business days of signing an executory contract authorized pursuant to paragraph (a) of this section, the person subject to U.S. jurisdiction must file a copy of the contract with the Office of Foreign Assets Control, Compliance Programs Division, 1500 Pennsylvania Avenue, NW.—Annex 2131, Washington, DC 20220, referencing the fact that the contract was entered into pursuant to 31 CFR 500.574(a).

(3) Specific licenses will be issued on a case-by-case basis to authorize financial transactions such as the payment of deposits, earnest money, signing bonuses, and administrative and registration fees incident to the signature of specific executory contracts authorized pursuant to paragraph (a)(1) of this section. The number of the pertinent license must be referenced in all funds transfers and other banking transactions through banks subject to U.S. jurisdiction made in connection with the contract.

(b) *Preparatory transactions.* (1) Specific licenses will be issued authorizing commercial and financial transactions necessary to obtaining and preparing to perform executory contracts authorized pursuant to paragraph (a)(1) of this section. These commercial and financial transactions include:

- (i) Opening offices in Vietnam;
- (ii) Hiring staff;
- (iii) Writing and designing plans;
- (iv) Carrying out preliminary feasibility studies and engineering and technical surveys; and

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(v) Import, export, and service transactions incident to the foregoing.

(2) Specific licenses issued pursuant to paragraph (b)(1) of this section will, to the extent feasible, encompass commercial and financial transactions incident to the licensed commercial purpose or activity.

NOTE: Exports or reexports to Vietnam of goods and technical data, or of the direct products of technical data (regardless of U.S. content), in connection with activities licensed by FAC may require authorization from the U.S. Department of Commerce pursuant to the Export Administration Regulations, 15 CFR parts 768–799.

(3) The number of the pertinent license must be referenced in all funds transfers and other banking transactions through banks subject to U.S. jurisdiction in connection with preparatory transactions under paragraphs (b) (1) and (2) of this section.

[57 FR 62230, Dec. 30, 1992]

### § 500.575 Certain services to Vietnamese nationals authorized.

(a) Specific licenses may be issued on a case-by-case basis for the provision in the United States or a third country of business orientation or training services to Vietnamese nationals. The orientation or training program may pertain only to industrial or commercial processes, or to specific equipment and related technical data both of which are eligible for export under a general license to Country Group Y, as set forth in Supplement No. 1 to part 770 of the Export Administration Regulations, 15 CFR parts 768–799. Licenses issued pursuant to this section will not authorize Vietnamese participation in orientation and training programs with respect to specific equipment and related technical data that may not be exported under a general license to Country Group Y pursuant to the Export Administration Regulations. Training programs may involve instruction on the maintenance or operation of a particular product, but may not involve instruction in a product's design or manufacture.

NOTE: The transfer of mass-market software and certain technical data eligible for export to most destinations under General License GTDU to Vietnamese nationals may require additional authorization from the